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#### DEPARTMENT OF COMMERCE

#### INTERNATIONAL TRADE ADMINISTRATION

(A-580-874, A-557-816, A-523-808, A-583-854, A-552-818)

Certain Steel Nails From the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, and the Socialist Republic of Vietnam: Antidumping Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce ("the Department") and the International Trade Commission ("ITC"), the Department is issuing antidumping duty orders on certain steel nails ("steel nails") from the Republic of Korea ("Korea"), Malaysia, the Sultanate of Oman ("Oman"), Taiwan, and the Socialist Republic of Vietnam ("Vietnam").

EFFECTIVE DATE: [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Krisha Hill (Korea), Edythe Artman (Malaysia and Vietnam), Lilit Astvatsatrian (Oman), or Victoria Cho (Taiwan) AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4037, (202) 482-3931, (202) 482-6412, or (202) 482-5075, respectively.

#### SUPPLEMENTARY INFORMATION:

# **Background**

In accordance with sections 735(d) and 777(i)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(c), on May 20 and 22, 2015, the Department published its affirmative final determinations of sales in the less-than-fair-value investigations of steel nails from Korea, Malaysia, Oman, Taiwan, and Vietnam, respectively. Pursuant to 735(e) of the Act and 19 CFR 351.224(f), the Department published its amended final determination of sales in the less-than-fair-value investigation of steel nails from Malaysia on June 16, 2015. On July 6, 2015, the ITC notified the Department of its affirmative determinations that an industry in the United States is materially injured within the meaning of section 735(b)(1)(A)(i) of the Act, by reason of the less-than-fair-value imports of steel nails from Korea, Malaysia, Oman, Taiwan, and Vietnam.

## Scope of the Orders

The merchandise covered by these orders is certain steel nails having a nominal shaft length not exceeding 12 inches.<sup>4</sup> Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced

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<sup>&</sup>lt;sup>1</sup> See Certain Steel Nails from the Republic of Korea: Final Determination of Sales at Less Than Fair Value, 80 FR 28955 (May 20, 2015) ("Final Determination of Steel Nails from Korea"); Certain Steel Nails From Malaysia; Final Determination of Sales at Less Than Fair Value, 80 FR 28969 (May 20, 2015); Certain Steel Nails From the Sultanate of Oman: Final Determination of Sales at Less Than Fair Value, 80 FR 28972 (May 20, 2015); Certain Steel Nails From Taiwan: Final Determination of Sales at Less Than Fair Value, 80 FR 28959 (May 20, 2015) ("Final Determination of Steel Nails from Taiwan"); and Certain Steel Nails From the Socialist Republic of Vietnam: Final Determination of Sales at Less Than Fair Value, 80 FR 29622 (May 22, 2015) ("Final Determination for Vietnam").

<sup>&</sup>lt;sup>2</sup> See Certain Steel Nails From Malaysia: Amended Final Determination of Sales at Less Than Fair Value, 80 FR 34370 (June 16, 2015).

<sup>&</sup>lt;sup>3</sup> See Certain Steel Nails from Korea, Malaysia, Oman, Taiwan, and Vietnam, USITC Investigation Nos. 701-TA-521 and 731-TA-1252-1255 (Final), USITC Publication 4541 (July 2015).

<sup>&</sup>lt;sup>4</sup> The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material.

Excluded from the scope of these orders are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25, unless otherwise excluded based on the other exclusions below.

Also excluded from the scope are certain steel nails with a nominal shaft length of one inch or less that are (a) a component of an unassembled article, (b) the total number of nails is sixty (60) or less, and (c) the imported unassembled article falls into one of the following eight groupings: 1) builders' joinery and carpentry of wood that are classifiable as windows, Frenchwindows and their frames; 2) builders' joinery and carpentry of wood that are classifiable as doors and their frames and thresholds; 3) swivel seats with variable height adjustment; 4) seats that are convertible into beds (with the exception of those classifiable as garden seats or camping

equipment); 5) seats of cane, osier, bamboo or similar materials; 6) other seats with wooden frames (with the exception of seats of a kind used for aircraft or motor vehicles); 7) furniture (other than seats) of wood (with the exception of i) medical, surgical, dental or veterinary furniture; and ii) barbers' chairs and similar chairs, having rotating as well as both reclining and elevating movements); or 8) furniture (other than seats) of materials other than wood, metal, or plastics (e.g., furniture of cane, osier, bamboo or similar materials). The aforementioned imported unassembled articles are currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4418.10, 4418.20, 9401.30, 9401.40, 9401.51, 9401.59, 9401.61, 9401.69, 9403.30, 9403.40, 9403.50, 9403.60, 9403.81 or 9403.89.

Also excluded from the scope of these orders are steel nails that meet the specifications of Type I, Style 20 nails as identified in Tables 29 through 33 of ASTM Standard F1667 (2013 revision).

Also excluded from the scope of these orders are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under HTSUS subheadings 7317.00.20.00 and 7317.00.30.00.

Also excluded from the scope of these orders are nails having a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (HRC), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools.

Also excluded from the scope of these orders are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of these orders are thumb tacks, which are currently classified under HTSUS subheading 7317.00.10.00.

Certain steel nails subject to these orders are currently classified under HTSUS subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Certain steel nails subject to these orders also may be classified under HTSUS subheadings 7907.00.60.00, 8206.00.00.00 or other HTSUS subheadings.

While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these orders is dispositive.

## **Antidumping Duty Orders**

As stated above, on July 6, 2015, in accordance with section 735(d) of the Act, the ITC notified the Department of its final determinations in these investigations, in which it found material injury with respect to steel nails from Korea, Malaysia, Oman, Taiwan, and Vietnam.<sup>5</sup> Because the ITC determined that imports of steel nails from Korea, Malaysia, Oman, Taiwan, and Vietnam are materially injuring a U.S. industry, unliquidated entries of such merchandise from Korea, Malaysia, Oman, Taiwan, and Vietnam, entered or withdrawn from warehouse for consumption are subject to the assessment of antidumping duties.

Therefore, in accordance with section 736(a)(1) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise, for all relevant entries of steel nails from Korea, Malaysia, Oman, Taiwan, and Vietnam. Antidumping

<sup>&</sup>lt;sup>5</sup> *Id*.

duties will be assessed on unliquidated entries of steel nails from Malaysia, Oman, and Vietnam entered, or withdrawn from warehouse, for consumption on or after December 29, 2014, the date of publication of the preliminary determinations, but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC's final injury determination as further described below.

Antidumping duties will be assessed on relevant unliquidated entries of steel nails from Korea entered, or withdrawn from warehouse, for consumption on or after December 29, 2014, the date of publication of the preliminary determinations. Antidumping duties will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC's final injury determination as further described below. Because the preliminary determination in the less-than-fair-value investigation involving Taiwan was negative, antidumping duties will be assessed on relevant unliquidated entries of steel nails from Taiwan,

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<sup>&</sup>lt;sup>6</sup> See Certain Steel Nails From Malaysia: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination and Extension of Provisional Measures, 79 FR 78055 (December 29, 2014); Certain Steel Nails From the Sultanate of Oman: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 79 FR 78034 (December 29, 2014); Certain Steel Nails From the Socialist Republic of Vietnam: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination and Extension of Provisional Measures, 79 FR 78058 (December 29, 2014).

<sup>&</sup>lt;sup>7</sup> See Certain Steel Nails From the Republic of Korea: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 79 FR 78051 (December 29, 2014). For the single entity consisting of Jinheung Steel, Duo-Fast Korea Co., Ltd., and Jinsco International Corporation ("Jinheung Steel Single Entity"), because this entity's estimated weighted-average final dumping margin is zero, we directed CBP to terminate suspension of liquidation of entries of certain steel nails produced and exported by this entity and have not imposed any cash deposit requirement on those entries. See Final Determination of Steel Nails from Korea, 80 FR at 28957.

entered, or withdrawn from warehouse, for consumption on or after May 20, 2015, the date of publication of the final determination.<sup>8</sup>

## Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will instruct CBP to continue to suspend liquidation on all relevant entries of steel nails from Korea, Malaysia, Oman, and Vietnam. We will also instruct CBP to begin suspension of liquidation on all relevant entries of steel nails from Taiwan. These instructions suspending liquidation will remain in effect until further notice.

We will also instruct CBP to require cash deposits equal to the amounts as indicated below. Accordingly, effective on the date of publication of the ITC's final affirmative injury determinations, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, a cash deposit equal to the estimated weighted-average antidumping duty margins listed below. The relevant all-others rate (for Korea, Malaysia, Oman, and Taiwan) or the rate for the Vietnam-wide entity (for Vietnam), as applicable, apply to all producers or exporters not specifically listed. For the purpose of determining cash deposit rates, the estimated weighted-average dumping margins for imports of

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<sup>&</sup>lt;sup>8</sup> See Final Determination of Steel Nails from Taiwan. No suspension of liquidation has been required for entries exported by Quick Advance, Inc. and produced by Ko Nails, Inc. because its estimated weighted-average final dumping margin is zero. The Department calculated its dumping margin during its investigation based on sales of Quick Advance, Inc. that were produced by Ko Nails, Inc. Therefore, Quick Advance Inc.'s exclusion from antidumping duty liability and any cash deposit requirement pertains only to the channel(s) of sales that were examined by the Department in the investigation. See the Memorandum to the File, entitled, "Clarification of Quick Advance, Inc.'s Sales Channels," dated concurrently with this notice.

<sup>&</sup>lt;sup>9</sup> Except for those entries produced and exported by the Jinheung Steel Single Entity, as stated above.

<sup>&</sup>lt;sup>10</sup> Except for those entries produced by Ko Nails, Inc. and exported by the Quick Advance Inc., as stated above.

<sup>&</sup>lt;sup>11</sup> See section 736(a)(3) of the Act.

subject merchandise from Vietnam will be adjusted, as appropriate, for export subsidies found in the final determination of the companion countervailing duty investigation of this merchandise imported from Vietnam.<sup>12</sup>

### **Provisional Measures**

Section 733(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months except where exporters representing a significant proportion of exports of the subject merchandise, request the Department to extend that four-month period to no more than six months. At the request of exporters that account for a significant proportion of steel nails from Korea, Malaysia, Oman, and Vietnam, we extended the four-month period by additional 42 days in each case. <sup>13</sup> In the underlying investigations, the Department published the preliminary determinations on December 29, 2014. Therefore, the extended period, beginning on the date of publication of the preliminary determinations, ended on June 26, 2015. Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination.

Therefore, in accordance with section 733(d) of the Act and our practice, we will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of steel nails from Korea, Malaysia, Oman, and Vietnam entered, or

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<sup>&</sup>lt;sup>12</sup> See Final Determination for Vietnam, 80 at 29623. See also Certain Steel Nails From the Socialist Republic of Vietnam: Final Affirmative Countervailing Duty Determination, 80 FR 28962 (May 20, 2015), and accompanying Issues and Decision Memorandum at 12-22.

<sup>&</sup>lt;sup>13</sup> See Certain Steel Nails From the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, and the Socialist Republic of Vietnam: Postponement of Preliminary Determination of Antidumping Duty Investigations, 79 FR 63082 (October 22, 2014). Provisional measures were not effect for entries of subject merchandise from Taiwan because the Department's preliminary determination was negative. See Certain Steel Nails From Taiwan: Negative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 79 FR 78053, 78054 (December 29, 2014) (Preliminary Determination).

withdrawn from warehouse, for consumption after June 26, 2015, the date on which the provisional measures expired, until and through the day preceding the date of publication of the ITC's final injury determinations in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

The weighted-average dumping margins are as follows:

	EXPORTER/PRODUCER	DUMPING MARGINS
	Daejin Steel	11.80%
Korea	Jinheung Steel Corporation, Jinsco International Corporation, and Duo-Fast Korea Co., Ltd. 14	0.00%
	All Others	11.80%

	EXPORTER/PRODUCER	DUMPING MARGINS
Malaysia	Inmax Sdn. Bhd.	39.35%
	Region International Co. Ltd. and Region System Sdn. Bhd.	2.66%
	Tag Fasteners Sdn. Bhd.	39.35%
	All Others	2.66%

	EXPORTER/PRODUCER	DUMPING
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<sup>&</sup>lt;sup>14</sup> No suspension of liquidation will be required for entries of these firms because their estimated weighted-average dumping margin is zero. *See Final Determination of Steel Nails from Korea*.

		MARGINS
Oman	Oman Fasteners, LLC	9.10%
	All Others	9.10%

	EXPORTER/PRODUCER	DUMPING MARGINS
Taiwan	PT Enterprises	2.24%
	Quick Advance Inc. 15	0.00%
	All Others	2.24%

	EXPORTER/PRODUCER	DUMPING MARGINS
Vietnam <sup>16</sup>	Kosteel Vina Limited Company	323.99%
	Vietnam-Wide Entity*	323.99%

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<sup>&</sup>lt;sup>15</sup> As stated above, no suspension of liquidation will be required for entries exported by Quick Advance Inc., which were produced by Ko Nails, Inc. because its estimated weighted-average dumping margin is zero. *See Final Determination of Steel Nails from Taiwan*.

<sup>&</sup>lt;sup>16</sup> As explained in the *Final Determination for Vietnam*, 80 at 29623, the estimated weighted-average dumping margins for the separate-rate company and the Vietnam-wide entity will be adjusted for export subsidies. As a result of these adjustments, the cash deposit rate for both the separate-rate company and the Vietnam-wide entity will be 290.40 percent.

\* The Vietnam-wide entity includes the following exporters/producers: Region Industries Co., Ltd., United Nail Products Co., Ltd., Cong Ty Tnhh Cong Nghe Nhua A Chau, Kim Tin Group, Megastar Co., Ltd. and Simone

Accessories Collection.

This notice constitutes the antidumping duty orders with respect to steel nails from

Korea, Malaysia, Oman, Taiwan, and Vietnam pursuant to section 736(a) of the Act. Interested

parties can find a list of antidumping duty orders currently in effect at

http://enforcement.trade.gov/stats/iastats1.html.

These orders are published in accordance with section 736(a) of the Act and 19 CFR

351.211.

Paul Piquado

**Assistant Secretary** 

for Enforcement and Compliance

July 7, 2015.

Date

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